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**RESOLUTION NO. R-66-16**

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 89-1 FOR FISCAL YEAR 2016/2017.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 89-1 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the City Council does, by the passage of this resolution, authorize the levy of special taxes at the rate and formula as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

1           **SECTION 3.** That the City Council is hereby further authorized, by Resolution, to  
2 determine the specific special tax rate and amount to be levied for the then current tax year or  
3 future tax years, except that the special tax rate to be levied shall not exceed that as set forth in  
4 Exhibit "A", but the special tax may be levied at a lower rate.  
5

6           **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
7 be used to pay, in whole or in part, the costs of the following:  
8

9           A. Payment of principal of and interest on any outstanding authorized bonded  
10 indebtedness;  
11

12           B. Necessary replenishment of bond reserve funds or other reserve funds;  
13

14           C. Payment of costs and expenses of authorized public facilities and services;  
15

16           D. Repayment of advances and loans, as appropriate; and  
17

18           E. Payment of District administrative costs.  
19

20           The proceeds of the special tax shall be used as set forth above, and shall not be used for any  
21 other purpose.  
22

23           **SECTION 5.** The above authorized special tax shall be collected in the same manner  
24 as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the  
25 same procedure, sale and lien priority in case of delinquency as is provided for ad valorem  
26 taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs  
27 incurred in collecting any such special tax.  
28

29           **SECTION 6.** The above authorized special tax shall be secured by the lien imposed  
pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of  
California, which lien shall be a continuing lien and shall secure each levy of the special tax.

1 The lien of the special tax shall continue in force and effect until the special tax obligation is  
2 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
3 Government Code of the State of California or until the special tax ceases to be levied by the  
4 Legislative body of the local Agency in the manner provided in Section 53330.5 of said  
5 Government Code.  
6

7 **SECTION 7.** This Resolution shall take effect upon its adoption under the specific  
8 authorization of Government Code Section 53340 and as the levy of taxes for the usual and  
9 current expenses of the District as provided by Government Code Section 36937 (d).  
10

11 **SECTION 8.** The City Clerk shall sign this Resolution and shall cause the same to be  
12 published within fifteen (15) days after its passage at least once in a newspaper of general  
13 circulation published and circulated in this City.  
14

15 **PASSED, APPROVED AND ADOPTED** this 5<sup>th</sup> day of July 2016.

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17   
18 RICHARD A. DELAROSA  
19 Mayor

20 ATTEST:

21   
22 CAROLINA R. PADILLA  
23 City Clerk  
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## Exhibit A

City of Colton	
2016/17 Special Tax Levy Community Facilities District 89-1	
Levy Components	2016/17
<b>PRINCIPAL AND INTEREST</b>	
Principal	\$205,000.00
Interest	41,080.00
<b>TOTAL</b>	<b>\$246,080.00</b>
<b>ADMINISTRATION COSTS</b>	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	66.00
Registrar/Transfer/Paying Agent Fees	1,600.00
Consulting Services and Expenses	5,505.00
Delinquency Management Allowance	127.45
<b>TOTAL</b>	<b>\$14,298.45</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$260,378.45</b>
<b>ADJUSTMENTS APPLIED TO LEVY</b>	
Replenishment/ (Credit)	(\$163,419.86)
<b>TOTAL</b>	<b>(\$163,419.86)</b>
<b>TOTAL CHARGE</b>	
<b>Special Tax Requirement</b>	<b>\$96,958.59</b>
<b>Applied Charge at Projected Rate</b>	<b>\$96,956.96</b>
Difference (due to rounding)	\$1.63
<b>SPECIAL TAX RATES *</b>	
<b>Developed Residential Units</b>	<b>212</b>
<b>Maximum Special Tax Rate per unit</b>	<b>\$2,008.10</b>
<b>Projected Special Tax Rate per unit for 2016/17</b>	<b>\$391.46</b>
<b>Developed Commercial Acreage</b>	<b>8.92</b>
<b>Maximum Special Tax Rate per acre</b>	<b>\$8,032.41</b>
<b>Projected Special Tax Rate per acre for 2016/17</b>	<b>\$1,565.86</b>

\* The projected special tax rate is based on the proposed budget shown and reflects a -60.68% change over the prior year's levy.

**CITY OF COLTON  
COMMUNITY FACILITIES DISTRICT NO. 89-1R  
FISCAL YEAR 2016/2017 FINANCIAL ANALYSIS**

	Fiscal Year 2016/2017	Fiscal Year 2015/2016
<b>Credit Calculation</b>	<b>Balances as April 30, 2016</b>	<b>Balances as April 30, 2015</b>
Special Taxes received after 4/30/2016	\$0.00	\$1,090.68
Special Tax Fund (#95434370)	7,243.06 ✓	0.00
Bond Service Fund (#95434371)	0.00	0.00
Administration Expense Account (#1431382352) (*)	534,383.43 ✓	409,687.75
Less: PFA 1996 September 2016 Debt Service	(218,327.50)	(212,232.00)
Reserve Fund (#95434393)	247,807.00 ✓	230,820.65
Revenue Fund (#95434390)	18,638.23 ✓	13,072.87
Less: Reserve Requirement	(247,807.50)	(230,820.65)
Less: Administration Expenses from PY	(13,996.78)	(13,044.41)
<b>Subtotal: (Shortage)/Surplus</b>	<b>\$327,939.94</b>	<b>\$198,574.89</b>
<b>(Credit)/Addition to Levy</b>	<b>(\$163,419.86)</b>	<b>(\$10,463.13)</b>
<b>Total: Projected Future Funds held for Bond Call</b>	<b>\$164,520.08</b>	<b>\$188,111.76</b>

**FUND BALANCE**

	Balances as April 30, 2016	Balances as April 30, 2015
<b>Authority Funds</b>		
Revenue Fund (#95434390)	18,638.23 ✓	17,746.47
Reserve Fund (#95434393)	247,807.00 ✓	313,340.00
<b>Total Funds</b>	<b>\$266,445.23</b>	<b>\$741,864.90</b>

**Close out Analysis**

**Cash Flow Requirements**

(1) PFA 1996 March 2017 Interest	\$16,895.00
(2) PFA 1996 September 2017 Principal & Interest	201,895.00
(3) 2016/17 Admin Costs	14,298.45
(4) PFA 1996 March 2017 Bond Call (September 2018 & 2019 Principal Due)	435,000.00
<b>Subtotal</b>	<b>\$668,088.45</b>
 Estimated Fund Balances after 9/1/2016 Debt Service	 \$327,939.94
Reserve Fund	247,807.00
<b>Subtotal</b>	<b>\$575,746.94</b>
 <b>Amount Needed for 2016/17 Levy</b>	 <b>\$92,341.51</b>
Contingency for Delinquency (5% delinquency rate)	4,617.08
<b>2016/17 Proposed Levy</b>	<b>\$96,958.59</b>

(\*) Please confirm the balance in the Administrative Expense Account

Approved by:  \_\_\_\_\_

City of Colorado		
2016/17 Budget Worksheet		
Community Facilities District 89-1R		
Fund Number CQ14SP01		
PRINCIPAL AND INTEREST		
Principal	\$190,000.00	\$205,000.00
Interest	53,088.00	41,080.00
<b>TOTAL</b>	<b>\$243,088.00</b>	<b>\$246,080.00</b>
ADMINISTRATION COSTS		
Agency Administration	\$7,000.00	\$7,000.00
Asst. Finance Director	0.00	0.00
Senior Accountant	0.00	0.00
City Treasurer	0.00	0.00
Senior Office Specialist	0.00	0.00
Agency Auditor Fees	0.00	0.00
Attorney Fees	0.00	0.00
Misc. Expenses, Paid by Agency	0.00	0.00
<b>Total Agency Staff and Expenses</b>	<b>\$7,000.00</b>	<b>\$7,000.00</b>
County Auditor and Assessor Fees	66.00	66.00
Registrar/Transfer/Paying Agent Fees	1,600.00	1,600.00
Consulting Services	5,080.78	5,305.00
Consulting Expenses	150.00	200.00
Delinquency Management Allowance	100.00	127.45
<b>TOTAL</b>	<b>\$13,996.78</b>	<b>\$14,298.45</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$257,084.78</b>	<b>\$260,378.45</b>
ADJUSTMENTS APPLIED TO LEVY		
Reserve Fund Credit	\$0.00	(\$86,223.44)
Special Tax Fund Credit	0.00	0.00
Replenishment/(Credit)	(10,463.13)	(77,196.42)
Miscellaneous/Adjustment Credit	0.00	0.00
<b>TOTAL</b>	<b>(\$10,463.13)</b>	<b>(\$163,419.86)</b>
TOTAL CHARGE		
<b>Total Charge</b>	<b>\$246,621.65</b>	<b>\$96,958.59</b>
<b>Applied Charge</b>	<b>\$246,620.10</b>	<b>\$96,956.96</b>
Difference (due to rounding)	\$1.55	\$1.63
ADDITIONAL INFORMATION		
Number of Active Parcels	222	222
Number of Parcels Levied	220	220
Actual DM Fees:	127.45	117.84
Admin Costs as a percent of Annual Levy	5.68%	14.75%

Approved by: 

Date: 6/22/16

